Government of Saskatchewan

Annual Report 2002-2003

Saskatchewan Beef Development Fund

Saskatchewan

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105-06075/

Annual Report 2002-2003

Saskatchewan Beef Development Fund

Annual Report
for the fiscal year ending
March 31, 2003

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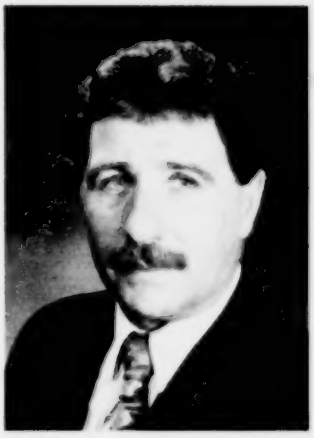
Letters of Transmittal



To Her Honour,
The Honourable Linda Haverstock
Lieutenant Governor
Province of Saskatchewan

Madam:

I have the honour to submit herewith the Annual Report of the Saskatchewan Beef Development Board for the twelve months ending March 31, 2003.

I have the honour to be, Madam,
Your obedient servant,

Clay Serby

Clay Serby
Deputy Premier
Minister of Agriculture, Food and Rural Revitalization

July 19, 2003

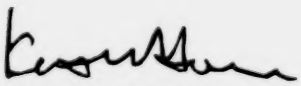
Saskatchewan Beef Development Fund
Room 226, 3085 Albert Street, Regina, Saskatchewan, S4S 0B1
Telephone: (306) 787-6566 Fax: (306) 787-2654

The Honourable Clay Serby
Deputy Premier
Minister of Agriculture, Food and Rural Revitalization
Room 334, Legislative Building
Regina, Saskatchewan
S4S 0B3

Dear Sir:

I am pleased to present herewith the Annual Report of the Saskatchewan Beef Development Board for the twelve months ending March 31, 2003.

Respectfully submitted,



Keith Howse, Chairperson
Saskatchewan Beef Development Board

The Beef Development Fund

The Beef Development Fund (BDF) supports the development and diversification of Saskatchewan's beef industry through the funding of projects related to production research, technology transfer, and development and promotion of new products.

The fund was established in 1994 utilizing funds saved due to the termination of the National Tripartite Stabilization Program for Cattle and the marketing surplus from the Saskatchewan Beef Stabilization Board marketing account.

Approval Process
After each deadline date, project proposals are reviewed and considered for approval by the BDF Board. Applicants are advised of the Board's decision within 60 days. Successful applicants are invited to enter into a contract with the Saskatchewan Beef Development Fund.

Applications Forms
Applicants can use Saskatchewan Agriculture, Food and Rural Revitalization's (SAFRR) Beef Development Fund (BDF) Project Application Forms, available from the Agriculture Research Branch of SAFRR, Room 226, 3085 Albert St., Regina, Sask., S4S 0B1, or any SAFRR Rural Service Centre throughout the province. These forms can also be downloaded from the Research section of the SAFRR Web site at www.agr.gov.sk.ca.

Application Dates
The deadline for applications is January 15 of each year.

Funding
Approved projects are eligible for funding of up to 100 per cent of eligible costs. The decisions are based on the benefit to the beef industry.

Eligible Costs
- professional or technical salaries and fees
- equipment rentals
- materials and supplies
- project travel
- workshop or seminar costs

Ineligible Costs
- overhead expenses
- purchase of land or buildings
- major capital expenses
- expenditures made on a project prior to BDF funding approval

Project Details
When applying for project funding, it is important for applicants to provide as much detail as possible. Board decisions are based on the information provided in the applications.

Please describe the following items thoroughly:
- the justification for and impact of the project
- budget details (include quotes if applicable)
- co-investigators (include support or assistance provided)
- potential market or markets

BDF Board Personnel

Board of Directors

Mr. Keith Howse, Chairperson	Pangman
Ms. Sandra Schneider	Medstead
Mr. Harold Yelland	Porcupine Plain
Mr. Calvin Knoss	Rockglen
Mr. George Siemens, Vice-Chairperson	Fiske
Mr. Lorne Cholin	Kerrobert

Staff

Staff services are provided through the Agriculture Research Branch and Corporate Services Branch of the Saskatchewan Department of Agriculture, Food and Rural Revitalization.

Dr. A. Hamid Javed	Secretary
Ms. Wendy Darmochid	Financial Records
Ms. Tammy Bast	Financial Records
Ms. Caroline Jacobs	Database Co-ordinator/Financial Records
Mr. Ken Petruic	Financial Manager

Activities Report 2002 - 2003

This report covers the 2002-03 fiscal year of operation of the Saskatchewan Beef Development Board (SBDB).

Background

The Saskatchewan Beef Development Board (SBDB) was established on June 28, 1994, to administer the Beef Development Plan and utilize the funds saved due to the termination of the National Tripartite Stabilization Program and the surplus from the Saskatchewan Beef Stabilization Board marketing account.

The funding available to the SBDB on a one-time basis was $1.8 million from the Saskatchewan Beef Stabilization Board marketing account and $1.4 million from the provincial government for the transition Beef Industry Development Fund (to replace the provincial share in the National Tripartite Stabilization Program funds).

The SBDB supports the development and diversification of Saskatchewan's beef industry through the fund[illegible] of projects related to production [illegible] including nutrition, manage[illegible] prevention and pest control, [illegible] animal welfare, environ[illegible] technology transfer, and develo[illegible] otion of new products.

Activities in 2002-03

The SBDB held meetings on April 3, 2002, November 20, 2002, and on March 31, 2003. The first meeting was to review applications received from the January 15, 2002 deadline. On November 20, 2002, the Board also met with the Deputy Premier and Minister of Agriculture, Food and Rural Revitalization. The meeting on March 31, 2003 was to review applications received from the January 15, 2003 deadline.

The salient decisions of the SBDB during the year 2002/2003 include:

- The SBDB approved its budget for 2002-03 fiscal year in its meeting on April 3, 2002 and for 2003-04 fiscal year in the meeting on March 31, 2003.
- The Board approved its updated brochure with project information.
- The SBDB approved the update of the BDF Board Manual.
- The Board considered the meeting with the Minister very useful and supportive of the Board's work and approach to problem solving.
- The Board wrote a letter to the Minister with suggested actions on the part of the government to help the beef industry, e.g. replenishment of BIDF funding, removal of barriers to land ownership, and the ease and reasonable costs of provision of services like electricity, gas, roads, etc. to potential livestock facilities.
- The SBDB invited the researchers to present research progress and results to the Board on Beef Quality Assurance & Food Safety in Saskatchewan, promotion of animal welfare among the livestock producers and the public at large by Farm Animal Council of Saskatchewan, and Health and Feeding Strategies for Weaned Calves.
- The Board extended the Value-Added Beef Program funded by BDF to December 31, 2003 because of its excellent impact on beef research capacity and new beef products by attracting R&D funding.

BDF Completed Projects

B001 - SEMEN COLLECTION IN BEEF BULLS WITHOUT ELECTROEJACULATION

- explore an alternative means to electro-ejaculation for semen collection from untrained beef bulls

Barth, Albert, Veterinary Teaching Hospital/Herd Medicine, Western College of Veterinary Medicine, University of Saskatchewan, 52 Campus Dr., SASKATOON SK S7N 5B4

B002 - MAPPING PRODUCTION AND CARCASS TRAITS BY MICROSATELLITE TYPING IN BEEF REFERENCE FAMILIES

- make extensive use of the bovine gene map to find genetic link between production and carcass quality data and genetic markers in beef reference families, a process known as reverse genetics

Mackay, George, Bova-Can Parentage Testing Inc., 15 Innovation Blvd., SASKATOON SK S7N 2X8

B004 - DEVELOPMENT OF SIMPLE BLOOD TESTS TO IMPROVE DETECTION OF DISEASE

- to develop rapid, accurate, and cost-effective methods for monitoring disease in cattle
- to develop tests to measure aspects of the early inflammatory response which will be of diagnostic and prognostic value

Godson, Dale, Veterinary Infectious Disease Organization, 120 Veterinary Road, SASKATOON SK S7N 5E3

B005 - THE INDUSTRIAL REORGANIZATION OF THE BEEF PRODUCTION INDUSTRY: SASKATCHEWAN'S NICHE

- to investigate the industrial reorganization that is currently taking place in the beef production industry in North America
- to determine where Saskatchewan's niche can best be developed
- to prepare a comprehensive business plan which will include a human resource plan, a marketing plan, an operations plan, and a financial plan

Brown, William, Department of Agriculture Economics, University of Saskatchewan, 51 Campus Drive, SASKATOON SK S7N 5A8

B007 - INVESTIGATION OF INTERLEUKIN-8 EXPRESSION IN BOVINE PNEUMONIA AND ARTHRITIS

- to determine whether interleukin-8, a protein made in diseased tissue that acts to cause infiltration of neutrophils (a type that often causes tissue damage), is made in tissues from cattle with naturally occurring pneumonia or arthritis

Sorden, D. Steven, Veterinary Pathology, Veterinary Infectious Disease Organization, 52 Campus Drive, SASKATOON SK S7N 5B4

B009 - IMMUNOCASTRATION OF BULLS: EFFECTS ON AGGRESSIVE BEHAVIOR AND CARCASS QUALITY

- to eliminate aggressive behavior in feedlot bulls especially during the finishing phase, capitalize on the superior growth, feed efficiency and lean carcass yield observed in bulls, eliminate dark cutting and reduced tenderness observed in bulls and to test an alternative humane castration procedure

van Kessel, A.G., Department of Animal and Poultry Science, University of Saskatchewan, 72 Campus Drive, SASKATOON SK S7N 5B5

B013 - DEMONSTRATION OF AUTOMATED ULTRASOUND GRADING SYSTEM TO COW-CALF OPERATORS, LARGE COMMERCIAL BEEF FEEDLOT OPERATORS AND PURE BREED OPERATORS

- to improve the software package developed in Phase III by providing feedback from demonstrations.
- to improve the usability of the marbling software by understanding the needs of users
- to develop a strategy to market Saskatchewan beef based upon the effective use of predicting carcass grade in cattle destined for Canadian, USA and other international markets
- to evaluate the performance of field tests at bull test stations

Johannesen, Sharron, Saskatchewan Cattle Feeders, Site 12 GB 259 RR4, SASKATOON SK S7K 3J7

B015 - INTEGRATED BACKGROUNDING AND FINISHING SYSTEMS FOR SPECIFIC MARKETS (MELFORT PHASE)

- to develop new pasture and forage based systems for lower production costs for backgrounding calves
- to determine the economics of the various new forage backgrounding systems

McCartney, Duane, Agriculture and Agri-Food Canada, 6000 C & E Trail, LACOMBE AB T4L 1W1

B016 - REQUEST FOR DEVELOPMENT OF A BUSINESS PLAN AND INITIAL SEED MONEY FOR THE ESTABLISHMENT OF A BEEF RESEARCH CENTRE

- to develop a business plan and initial seed money for the establishment of a beef research centre

aarveld, Bernard, Department of Animal and Poultry Science, University of Saskatchewan, 72 Campus Drive, SASKATOON SK S7N 5B5

B018 - BOVINE TRICHOMONIASIS: PREVALENCE IN SASKATCHEWAN AND IMPROVED DIAGNOSTIC METHODS

- a province-wide survey of veterinary practitioners will give accurate data on the prevalence and risk factors for infections. The sensitivity and specificity of the present diagnostic methods for trichomoniasis are unsatisfactory. Required improvements will be sought, tested and made available to laboratories and veterinarians

Campbell, John, R., University of Saskatchewan, Department of Herd Medicine, 52 Campus Drive, SASKATOON SK S7N 5B4

B019 - ORAL VACCINATION OF NEONATAL CALVES: INDUCTION OF LONG-TERM IMMUNITY

- The adenovirus vaccine vector offers an effective method to deliver vaccine antigens directly to the site where immune responses first develop in newborn calves and in this way bypass problems associated with the immature system of newborn calves. Furthermore, the delivery of antigens directly to the site where the immune system first develops may induce lifelong immunity. Finally, oral immunization offers the potential advantage of being incorporated with current management practices (i.e. ear-tagging and dehorning newborn calves)

Griebel, Philip, Veterinary Infectious Disease Organization, 120 Veterinary Road, SASKATOON SK S7N 5E3

B020 - SERIES OF BOVINE INFORMATION BROCHURES

- to assist both new as well as existing producers. By providing knowledge of the symptoms, cause and treatment of common ailments found in modern cattle production, we hope to reduce the number of downer and condemned animals filtered through the auction markets

Buettner, Adele, Farm Animal Council of Saskatchewan, 502-45th Street West, 2nd Floor, SASKATOON SK S7L 6H2

B022 - FALL AND WINTER BACKGROUNDING OF BEEF CALVES ON PASTURE

- to evaluate the production and economic feasibility of growing weaned beef calves from 550 lb. to 900 lb. on pasture during fall and winter in southwestern Saskatchewan

Jefferson, Paul, G., Agriculture and Agri-Food Canada, P.O. Box 1030, SWIFT CURRENT SK S9H 3X2

B023 - ALTERNATIVE METHODS OF SEMEN COLLECTION IN BEEF BULLS

- to develop alternative methods for routine semen collection from untrained beef bulls

Barth, Albert, Vet Teaching Hospital/Herd Medicine, University of Saskatchewan, 52 Campus Drive, SASKATOON SK S7N 5B4

B024 - CATTLE FACS

- to assist both new as well as existing producers
- to provide knowledge of the symptoms, cause and treatment of common ailments found in modern cattle production

Buettner, Adele, Farm Animal Council of Saskatchewan, 502-45th Street West, 2nd Floor, SASKATOON SK S7L 6H2

B025 - A RISK MANAGEMENT OPTION FOR THE SASKATCHEWAN COW-CALF PRODUCER

- to examine the potential benefits of a cow-calf/ backgrounder price risk management tool that uses the Chicago Mercantile Exchange Feeder Cattle Futures contracts

Brown, William, Department of Agriculture Economics, University of Saskatchewan, 51 Campus Drive, SASKATOON SK S7N 5A8

B026 - DEMAND FOR VALUE ADDED BEEF PRODUCTS

- to assess the current and potential status of further processing of manufacturing and grinding beef in Saskatchewan in a Canadian context
- to investigate the consumer preferences of such processed products
- to examine the domestic marketing chain for beef products

Shand, Phyllis, Saskatchewan Food Talk, University of Saskatchewan, 51 Campus Drive, SASKATOON SK S7N 5A8

B027 - IMPACTS OF LIVESTOCK PENNING ON GROUNDWATER QUALITY

- to characterize existing feedlots as to the amount and rate of transport of materials from feedlot manure through the unsaturated soil system and the saturated groundwater system

Maule, Charles, Engineering, Agricultural Bio-resources, University of Saskatchewan, 57 Campus Drive, SASKATOON SK S7N 5A9

B028 - OPTIMIZING PASTURE PRODUCTION BY USING MIXTURE OF NATIVE SHRUBS AND LEGUMES IN SOUTHWESTERN SASKATCHEWAN

- to optimize mixtures of shrubs and forbs for economical production of pasture
- to obtain better understanding of mutual benefit of combinations of native forage shrubs and legumes to further improve their productivity

Schellenberg, M.P., Agriculture and Agri-Food Canada, Box 1030, SWIFT CURRENT SK S9H 3X2

B029 - CORE FUNDING FOR THE FOUNDATION FOR ANIMAL CARE SASKATCHEWAN INC

- to secure a three-year Corporate Membership from the Saskatchewan Beef Development Fund to contribute as a Core Fund

Buettner, Adele, Farm Animal Council, 502-45th Street West, 2nd Floor, SASKATOON SK, S7L 6H2

B030 - NOVEL VACCINE DELIVERY METHODS

- to examine methods of vaccine delivery, intranasal and trans-dermal
- to compliment the ongoing research in this area at Veterinary Infectious Disease Organization

Baca-Estrada, Maria, Veterinary Infectious Disease Organization, 120 Veterinary Road, SASKATOON SK S7N 5E3

B032 - AN ECONOMIC ANALYSIS OF RETAINED OWNERSHIP STRATEGIES

- to analyze the impact of alternative ownership strategies on other profitability and cash flow of cow/calf producers in Saskatchewan

Brown, William, Department of Agriculture Economics, University of Saskatchewan, 51 Campus Drive, SASKATOON SK S7N 5A8

B033 - "REACHING THE ROOTS" APPRISING CATTLE PRODUCERS OF QUALITY IMPROVEMENT TARGETS AND MANAGEMENT METHODS

- to increase the awareness of factors influencing the quality and safety of beef products "from pasture to plate"

Smith, Nikki, Saskatchewan Cattle Feeders, Site 12 GB 259 RR4, SASKATOON SK S7K 3J7

B035 - DEVELOPMENT OF RATIONS FOR RED VEAL PRODUCTION WITH HOLSTEIN BULL CALVES

- to develop and evaluate cereal grain based rations for production of red veal

Christensen, D., University of Saskatchewan, 51 Campus Drive, Department of Animal & Poultry, SASKATOON SK S7N 5A8

B037 - ELECTRIC FENCE ENERGIZER EVALUATIONS

- to evaluate a maximum of twelve electric fence energizers for effectiveness of this operation. These evaluations will be available to the public through the Prairie Agricultural Machinery Institute's (PAMI) information services

Lucyshyn, Troy, PAMI, Box 1150, HUMBOLDT SK S0K 2A0

B039 - VACCINE DELIVERY FOR ORAL IMMUNIZATION OF CALVES

- to develop vaccine delivery systems to orally immunize newborn calves

Griebel, Philip, Veterinary Infectious Disease Organization (VIDO), 120 Veterinary Rd., SASKATOON SK S7N 5E3

B042 - CORPORATE MEMBERSHIP IN FACS

- to secure a three year Corporate Membership from the Saskatchewan Beef Development fund to contribute support to the Farm Animal Council's Core Activities

Buettner, Adele, Farm Animal Council of Saskatchewan (FACS), 502-45th St. W., 2nd Floor, SASKATOON SK S7L 6H2

B041 - INVESTIGATION OF THE ROLE OF BOVINE VIRUS DIARRHEA VIRUS AND MYCOPLASMA BOVIS IN CHRONIC PNEUMONIA OF FEEDLOT CATTLE

- to clearly define BVD virus, Mycoplasma bovis and other agents in chronic pneumonia in feedlot cattle

Wobeser, A., Gary, WCVM, 52 Campus Drive, SASKATOON SK S7N 5B4

B048 - HOT BOX COMPETITION

- to host new organized events by the Regina Academy of Chefs and Cooks

Perrin, Joan, Beef Information Centre, #8 2010 7th Avenue, REGINA SK S4R 1C2

BDF Ongoing Projects

B010 - BEEF PRODUCT QUALITY PROGRAM

- to establish an applied research and new product development capability specifically for beef

Shand, Phyllis, Saskatchewan Food Innovation Program, University of Saskatchewan, 51 Campus Dr., SASKATOON SK S7N 5A8

B021 - TO ESTABLISH "SASKBEEF" AS A NEUTRAL BEEF INDUSTRY FORUM

- to bring all stakeholders, involved in the development of the beef industry in Saskatchewan, together in an ongoing open forum
- to provide an industry-wide team approach to promote the development of the beef industry

Braaten, Milt, Saskatchewan Cattle Feeders Association, Box 116, ABBEY SK S0N 0A0

B031 - DEVELOPMENT OF BOVINE ADENOVIRUS AS A VECTOR

- to develop adenovirus as a vector to deliver vaccines to mucosal surfaces

Babiuk, Lorne, Veterinary Infectious Disease Organization (VIDO), 120 Veterinary Rd., SASKATOON SK S7N 5E3

B044 – FOUNDING PARTNER MEMBERSHIP IN THE WESTERN BEEF DEVELOPMENT CENTRE INC.

- to obtain a founding partner membership with the BDF and to continue to make an ongoing contribution to the production and distribution of information to beef cattle producers

LaClare, John, Western Beef Development Centre Inc., 203 – 105 North Rd., SASKATOON SK S7N 4L5

B045 – BEEF QUALITY ASSURANCE AND FOOD SAFETY PROJECTS FOR SASKATCHEWAN

- to provide a technical and program update to qualified speakers in Saskatchewan
- to focus communication efforts and assess communication tools/program
- to assist administration of projects in Parts A, B, C, and E
- to cover costs of speaker expenses

Smith, Nikki, Saskatchewan Beef Quality Working Group, Site 12 GB 259 RR4, Saskatchewan Cattle Feeders Association, SASKATOON SK S7K 3J7

B046 – AN ASSESSMENT OF WESTERN CANADIAN BEEF DEVELOPMENT

- to investigate and analyse the implications of transforming cropland to livestock for at least two representative rural municipalities in Saskatchewan.

Centre for Studies in Agriculture Law and Environment (CSALE), University of Saskatchewan, SASKATOON SK S7N 5A2

B049 – DELIVERY OF ON-FARM QUALITY ASSURANCE TO SASKATCHEWAN PRODUCERS

- to hire a provincial on-farm delivery coordinator (in relations to the Canadian Cattleman's Quality Starts Here Program)

Smith, Nikki, Saskatchewan Beef Quality Working Group, Site 12 GB 259 RR4, Saskatchewan Cattle Feeders Association, SASKATOON SK S7K 3J7

B054 – CANADIAN PRODUCTION RE: HIGH STATUS SEED OF U.S. PUBLIC FORAGE VARIETIES UNDER AGREEMENT WITH USDA/STATE CROP IMPROVEMENT ASSOCIATIONS

- to access, quarantine, increase and release on a cost recovery basis genetic material not always available in Canada and/or where Canadian material access is restricted
- work wherever possible with Canadian material even on a contract basis while encouraging more access be made for Canadian public funded releases

Pocock, Dale, Saskatchewan Crop Improvement Association, Box 749, NIPAWIN SK S0E 1E0

B050 – PREVALENCE AND RISK FACTORS FOR E. COLI 0157:H7 IN WESTERN CANADIAN COW/CALF HERDS

- to measure the prevalence of E.coli 0157:H7 in the feces of calves from commercial herds at calving
- to describe risk factors at the herd and individual animal level for the occurrence of E.coli 0157:H7. To then use this information to aid in the development of management practices to decrease environmental and human health risks
- to determine to what extent this organism is associated with calf sickness and death loss in cow/calf herds

Waldner, Cheryl, Western College of Veterinary Medicine (WCVM), 52 Campus Drive, SASKATOON SK S7N 5B4

B051 – CORPORATE MEMBERSHIP IN FACS

- to secure a three-year Corporate Membership for the Saskatchewan Beef Development Fund to contribute support to the Farm Animal Council's Core activities

Buettner, Adele, Farm Animal Council of Saskatchewan (FACS), 502 – 45th Street West, 2nd Floor, SASKATOON SK S7L 6H2

Management Report

Management is responsible for the integrity of the accompanying financial statements and all other information in this Annual Report. It is the responsibility of management to prepare financial statements in accordance with generally accepted accounting principles in Canada.

The integrity of the financial records from which these financial statements are prepared is largely dependent on management's systems of internal accounting controls. The purpose of such systems is to provide reasonable assurance that transactions are appropriately recorded in order to permit preparation of financial statements; and, assets are properly accounted for and safeguarded against loss from unauthorized use. Underlying this concept of reasonable assurance is the fact that limitations exist in any system of internal accounting controls based on the premise that the cost of such controls should not exceed the benefits derived therefrom.

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Board meets periodically with management to satisfy itself that management's responsibilities are properly discharged, and reviews and approves the financial statements and annual report.

The Provincial Auditor of Saskatchewan has audited the financial statements. His report to the Members of the Legislative Assembly, stating the scope of the examination and opinions on the financial statements, appears on the following pages.

The financial statements have been examined and approved by the Board.

Submitted by:

Mr. Gordon Nystuen
Deputy Minister
Department of Agriculture, Food
and Rural Revitalization

Mr. Ken Petruic
Manager, Financial Services
Department of Agriculture, Food
and Rural Revitalization

July 31, 2003

Beef Development Board

FINANCIAL STATEMENTS

For the Year Ended March 31, 2003

Auditor's Report

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Beef Development Board as at March 31, 2003 and the statement of revenue, expenditure and net assets for the year then ended. The Board's management is responsible for preparing these financial statements. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
July 7, 2003

Fred Wendel, CMA, CA
Provincial Auditor

Statement 1

Beef Development Board
Statement of Financial Position
As at March 31

	2003	2002
Assets		
Current assets		
Due from General Revenue Fund (Note 4)	$ 894,376	$ 999,667
Accrued interest receivable	6,170	5,015
	$ 900,546	$ 1,004,682
Liabilities and Net Assets		
Current liabilities		
Accounts payable	$ 49,279	$ 25,632
Net assets (Statement 2)	851,267	979,050
	$ 900,546	$ 1,004,682

(See accompanying notes to the financial statements)

Beef Development Board
Statement of Revenue, Expenditure and Net Assets
For the Year Ended March 31

	Budget 2003 (Note 7)	2003	2002
Revenue			
Interest revenue	$ 35,032	$ 24,440	$ 36,204
Miscellaneous revenue	30,000	—	30,000
Total revenue	65,032	24,440	66,204
Expenditure			
Project expenses (Note 5)	211,095	146,795	188,437
Board expenses	5,000	4,732	3,813
Miscellaneous expenses	30,000	696	444
Total expenditure	246,095	152,223	192,694
Deficit for the year	$ (181,063)	(127,783)	(126,490)
Net assets, beginning of year		979,050	1,105,540
Net assets, end of year - to Statement 1		$ 851,267	$ 979,050

(See accompanying notes to the financial statements)

Beef Development Board Notes To The Financial Statements

March 31, 2003

1. Authority

The Beef Development Board (Board) was established pursuant to Section 4 of *The Agri-Food Act* to administer the Beef Development Plan. The Beef Development Plan was established effective June 28, 1994 to enhance the Saskatchewan beef and beef cattle industry through research, development and promotional activities that the Board considers to be in the best interests of the industry.

The Board administers the Plan through the Beef Development Fund.

2. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The following accounting principles are considered significant:

a) Accrual basis

The financial statements are prepared on the accrual basis of accounting.

b) Research and Development projects

Payments for research and development projects are recorded as project expenses when approved and the eligibility criteria, if any, have been met by the recipient.

3. Financial Instruments

Receivables/Payables

These financial instruments include items that are due or payable within the next year. Due to this short-term maturity, the carrying value of these financial instruments approximates their fair value.

4. Related Party Transactions

Included in these financial statements are transactions with Saskatchewan Crown agencies related to the Board by virtue of common control or significant influence by the Government of Saskatchewan.

The monies of the Beef Development Board are deposited in the General Revenue Fund. Under this arrangement, interest is calculated on the net position of the Beef Development Board. Interest is paid by the General Revenue Fund on a quarterly basis using the Government's thirty-day borrowing rate. The Government's average thirty-day borrowing rate for 2002/2003 is 2.62% (2001/2002 is 3.41%).

The Board receives the use of office and administrative services from the Department of Agriculture, Food and Rural Revitalization without charge.

Other transactions with related parties and amounts due to/from them are disclosed separately in the financial statements and notes thereto.

5. Research and Development Projects

Project expenses are as follows:

	2003	2002
Veterinary Infectious Disease Organization - University of Saskatchewan	$ ---	$ 32,000
University of Saskatchewan	92,795	67,800
Agriculture and Agri-Food Canada	---	21,637
Western Beef Development Centre	25,000	25,000
Saskatchewan Working Group of Quality	20,000	---
Farm Animal Care Council of Saskatchewan	5,000	5,000
Saskatchewan Crop Improvement Association Inc.	4,000	---
PAMI	---	12,000
Canadian Water Resource Association	---	7,000
Saskatchewan Beef Working Group	---	14,000
Saskatchewan Beef Information Centre	---	4,000
	$ 146,795	$ 188,437

6. Commitments

At March 31, 2003 the Board has approved projects for payment in 2003/2004 of $236,015, in 2004/2005 of $52,000, and in 2005/2006 of $20,000.

7. Budget

The Board approved the budget on April 3, 2002.

8. Cash Flow Statement

No cash flow statement is presented because the required cash flow information is readily apparent from the other financial statements.

Project Payments

Please note: The following project payments represent only the payments made in the 2002-2003 fiscal year. These amounts do not reflect total project contract amounts for these initiatives.

Department of Herd Medicine & Theriogenology University of Saskatchewan	Health and Feeding Management Strategies for Newly Weaned Calves	$ 16,900.00
Department of Herd Medicine & Theriogenology University of Saskatchewan	Effects of Castration Techniques and Anesthetics on Behavior and Performance Feedlot Bulls	$ 4,000.00
Saskatchewan Crop Improvement Association	Canadian Production Re: High Status Seed of U.S. Public Forage Varieties Under Agreement with USDA/State Crop Improvement Associations	$ 4,000.00
Western College of Veterinary Medicine (WCVM)	Prevelance and Risk Factors For E. Coli 0157:H7 in Western Canadian Cow/Calf Herds	$ 16,000.00
Saskatchewan Food Innovation Program, University of Saskatchewan	Beef Product Quality Program	$ 47,895.00
Department of Animal & Poultry Science University of Saskatchewan	"Downer Cow Syndrome" in Beef Cows Fed Wintering Rations Based on Green Feed	$ 8,000.00
Farm Animal Council of Saskatchewan (FACS)	Corporate Memberships in FACS	$ 5,000.00
Western Beef Development Centre Inc.	Founding Partner Membership in the Western Beef Development Centre Inc.	$ 25,000.00
Saskatchewan Beef Quality Working Group	Delivery Of On-Farm Quality Assurance to Saskatchewan Producers	$ 20,000.00

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